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Protecting the **Jobs We Have**, Creating the **Jobs We Need**

It's no secret that the global economic crisis is still hitting us hard. Economic recovery is slow and the gridlock in Washington isn't helping. In Connecticut, we **put aside partisan differences** and **got things done**.

The recent **special session on jobs** included initiatives from Democrats and Republicans. Together we're making Connecticut a better place to **do business** and **grow jobs**.



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Learn more at www.senatedems.ct.gov/GrowJobs

HELPING BUSINESSES GROW

Connecticut Business Entity Tax Cut in Half

Most small businesses are not subject to the corporate income tax (i.e., subchapter S corporations, LLCs, LLPs), and instead pay a flat annual tax of \$250. In order to reduce their financial burden, the \$250 will be paid every two years, reducing the tax in half, beginning with income year 2013. This means that the \$250 will be paid in 2012 and 2013, but not again until 2015 and every two years thereafter. For more information visit www.ct.gov/drs or call 860-297-5962.

Reinvesting in Connecticut Innovations (CI)

CI is a quasi-public agency that identifies and analyzes Connecticut's newest and most promising start-ups and makes the state an investor in their future. The legislature made a significant commitment to the work of CI by authorizing an additional \$25 million a year in each of the next five years. This money will be used to build innovation centers and support new ideas as start-ups become the employers of the future. For more information visit www.ctinnovations.com or contact Emily Smith at 860-257-2377.

Angel Investor Tax Credit

A proven method of encouraging private investment in the cutting edge drivers of our economy is providing tax credits for "angel investors." In order to qualify, the investment must be in a business based in Connecticut that is engaged in emerging technologies such as bioscience, advanced materials, photonics, information technology, or clean technology. We lowered the minimum angel investment threshold from \$100,000 to \$25,000. This will allow more companies—and more angels—to benefit, grow and create Connecticut jobs. If you or someone you know is interested in investing, please visit www.ctangeltaxcredit.com or call Stepheni Harpin at 860-257-2880.

Main Street Investment Fund to Improve Commercial Centers

Helping businesses on Main Streets across Connecticut is the idea behind the **Main Street Investment Fund (MSIF)**. The Fund will help municipalities develop and improve their commercial centers by attracting small businesses, promoting commercial viability and improving aesthetics and pedestrian access. Municipalities that have populations of 30,000 or less or are eligible for the existing Small Town Economic Assistance Program (STEAP) will be eligible for grants up to \$500,000 in the MSIF. These grants can be used for projects such as façade or awning improvements, sidewalk improvements or construction, street lighting and development of recreational areas and greenspace. In addition, municipalities can use a portion of their grant to award an owner of a commercial private property up to \$50,000 in matching grant funds. That private property owner may use this matching grant for expenses such as building improvements, signage, lighting and landscaping. Contact information on the MSIF will be forthcoming.

Clean-up & Market Five State-owned Brownfields

Brownfields are properties that are vacant, contaminated, and often in urban areas. In order to spur economic development on these parcels of land, the legislature required the Department of Community and Economic Development (DECD) to remediate and market five parcels, four of which must be for private development. The fifth parcel may be used for private development or for a public purpose such as eliminating toxic conditions and enabling the creation of attractive open space. For further information call 860-270-8193 or visit www.ctbrownfields.gov.

First Five Expansion

The Jobs Bill expands the "First Five" program to allow the governor to identify an additional five companies that pledge to create 200 new jobs in Connecticut in a 24 month period, or invest \$25 million or more in their company and create 200 jobs in the next five years. The legislation authorizes significant financial incentives to bring those companies to Connecticut or maintain their presence—and jobs—in the state. For more information contact DECD deputy commissioner Ron Angelo at 860-270-8020.

Restore Unused State-owned Land for Agricultural Purposes

Currently, the Department of Agriculture administers a program to encourage farmers to use identified parcels of state-owned vacant land for gardening or agricultural purposes. Now, farmers will be able to use this land for additional agriculture-related uses, such as installing fences to keep livestock out of the area, improving irrigation efficiency and redeveloping overgrown pastures and meadows. An additional \$5 million in bond funds were made available to reimburse farmers for a portion of their costs. To learn more about the program, contact the Department of Agriculture at 860-713-2500.

ASSISTING SMALL BUSINESSES

Streamline & Increase Existing Tax Credits for New Hires

We replaced three existing job creation tax credits (job creation, qualified small business job creation and vocational rehabilitation job creation) with one: the **Job Expansion Tax Credit (JET)**. Employers can claim a tax credit of \$500/month for up to three years for employees hired between January 1, 2012 and December 31, 2013. The credit increases to \$900/month if the new employee is unemployed at the time of hiring, receiving vocational rehabilitation services from the Bureau of Rehabilitative Services or is a veteran. The number of new jobs required for the employer to be eligible for the credit varies with the size of the company. Further details will be forthcoming on the Department of Economic & Community Development (DECD) Web site at www.decd.org (click on “Business and Industry Development,” then select “Tax Incentives.”)

Expedite Financial Assistance

The **Small Business Express Package** is a three-part program that will provide rapid response and assistance—usually *within 30 days* of a completed application—to small businesses (50 or fewer employees).

1. A **revolving loan fund** will provide a lifeline for small businesses that need access to working capital:
 - Loans may be used for acquisition of machinery and equipment, construction or leasehold improvements, relocation expenses, working capital or other business-related expenses, as authorized by the commissioner of DECD.
 - Loans may be in amounts from \$10,000 to \$100,000 with a maximum interest rate of four percent.
 - Priority will be given to small businesses that are creating new jobs as part of their business plan.
2. A **job creation incentive program** will provide loans to enable job creation:
 - Loans may be used for training, marketing, working capital or other expenses, as approved by the commissioner of DECD.
 - Loans may be in amounts from \$10,000 to \$250,000.
 - Payments on loans may be deferred and all or part of the loans may be forgiven based upon the small business’ attainment of job creation goals.
3. A **matching grant component** will provide state matching funds for small business investments:
 - Grants may be used for training, working capital, machinery and equipment acquisition, construction or leasehold improvements, relocation within the state or other business-related expenses, as authorized by the commissioner of DECD.
 - Grants may be in amounts from \$10,000 to \$100,000.
 - Priority will be given to applicants based upon the likelihood that such grants will assist applicants in maintaining job growth.

Additional information and application forms for the **Small Business Express Package** are available on the DECD Web site at www.decd.org. You can also contact Michelle Lugo at michelle.lugo@ct.gov or 860-270-8052.

STEP Up (Subsidized Training and Employment Programs)

These two programs are administered by the Department of Labor (DOL) and will subsidize training and employment for small businesses (50 or fewer employees).

1. The first program is available to small businesses other than retailers. Assistance is provided for the employment of individuals who are unemployed, whose family income is at or below 250 percent of the federal poverty level, and who reside in a municipality where the unemployment rate is at or above the state average or where the population exceeds 80,000. For a period of six months, the state will pay a percentage of the employee’s salary, not to exceed \$20/hour, starting with 100 percent in the first month and declining to 25 percent in the sixth and final month.
2. The second program assists small manufacturers with subsidies for training. Manufacturers are able to receive subsidies for six months of training from \$2,500 in the first month declining to \$1,600 in the sixth month, for a maximum not to exceed \$12,500 per new employee.

For more information on the STEP Up programs, contact Rina Bakalar, executive director of the Office of Workforce Development at rina.bakalar@ct.gov, or call 860-263-6523.

GIVING BUSINESSES BETTER ACCESS TO STATE RESOURCES

Help in Finding Government Resources

A new one-stop Web portal for new and existing businesses will use artificial intelligence to route businesses to the resources they need to succeed in Connecticut. When completed, the portal will be accessible through the governor's Web site (www.governor.ct.gov), as well as through other state agency Web sites (www.ct.gov).

Help Starting or Expanding Your Business

To further help new businesses develop and succeed, the Department of Economic & Community Development (DECD) has recently partnered with Startup America to create **Startup Connecticut**. Check out the new Web site at ct.startupamericapartnership.org to see how they can help you start a new business, or expand an existing one.

CUTTING RED TAPE

Tiered Permitting

In order to create a better system for protecting our environment without unduly burdening businesses, the commissioner of the Department of Energy and Environmental Protection (DEEP) will review its state permitting and enforcement processes with a view toward developing a tiered system of permitting: projects that pose less potential harm to the environment will be processed in an expedited way. By having a tiered system, we can concentrate our resources and avoid undue delay for business development. DEEP will report its findings by February 1, 2012.

Pre-Permitting

Several states, including New York, identify key industries and key locations that are ripe for economic development, and provide businesses with land and permits ready for relocation. The commissioner of the Department of Economic & Community Development (DECD) will study ways to implement a pre-permitting program in Connecticut. The commissioner would identify sites that fit in with the economic development plan for our state, and are likely to appeal to key industries in Connecticut. The DECD would then pursue permits so that these properties can be marketed to companies as ready to go.

MATCHING TALENTS TO JOBS

Training for the Future

In order to align training programs with the workforce needs of the state, the Department of Labor (DOL) together with the DECD and other relevant state agencies and business sectors, will review and report on the myriad training programs throughout the state and produce a cohesive plan for more coordinated, better-focused training programs.

Also, in an effort to educate parents, schools and students about the changing nature of manufacturing and the viability of the industry to provide an upwardly mobile career, middle schools and high schools will now be required to inform students about the availability of vo-tech, agricultural science and tech education.

Asnuntuck Community College currently operates a precision manufacturing training program that places 100 percent of its graduates with an employer. The manufacturing industry has expressed the need for more students to fill available job vacancies and the legislature has responded by giving Asnuntuck additional dollars to expand its successful program. Additionally, the Jobs Bill provides funding for three additional community colleges to replicate the precision manufacturing program that has been a huge success for Asnuntuck. Visit their Web site at www.acc.commnet.edu.

INVESTING IN INFRASTRUCTURE

The Bioscience Corridor

We have already seen tremendous returns on our investment in a Connecticut bioscience corridor with the recent commitment of Jackson Laboratories to build a state of the art research center on the UConn Health Center campus. Jackson Labs, a not-for-profit, internationally-renowned genetics research laboratory anticipates that it will bring 661 world class scientists to Farmington and that 7,000 jobs will be created in total from other staffing positions at the institute, spin off companies and necessary support functions. The construction phase alone will add almost 900 jobs to the construction jobs already being created for the overall Health Center project. For more information contact Department of Economic & Community Development (DECD) deputy commissioner Kip Bergstrom at 860-256-2727.

Fix-It-First—Prioritizing Repair of 50 Connecticut Bridges

According to a recent report, America has nearly 70,000 bridges that are in need of significant repair. Connecticut is not immune to this desperate need. In order to take advantage of the favorable bidding climate and to put construction workers back to work, we added \$50 million in new authorizations for Connecticut's **Fix-It-First** program to fix these potentially dangerous bridges.

Expand Scope of Airport Authority

In 2010, the General Assembly created what is called the **Bradley Development Zone**. The zone, drawn around Bradley International Airport, was created to provide tax incentives to airport related companies interested in locating near Bradley. Bradley has long been viewed as an unpolished economic development gem in Connecticut.

In 2011, the legislature created the **Connecticut Airport Authority**, a quasi-public agency that would govern Bradley and the state's five other state-owned airports. The Authority is charged with maximizing the potential of Bradley and creating a unified marketing strategy for all of our airports. To further this goal, the Jobs Bill contains language to allow the Authority to create development zones around other airports to help spur growth throughout our state.

Public/Private Partnerships Will Expedite Needed Infrastructure Investments

The Jobs Bill provides the governor with a new tool to deliver more infrastructure projects more quickly through the use of public-private partnerships. The governor may approve up to five such projects on or before January 1, 2015. Public-private partnerships are defined as relationships between a state agency and a private entity wherein the parties contract for the private entity to "design, develop, finance, construct, operate or maintain" a state facility, or any combination of those functions.

The advantages of public-private partnerships include enhanced access to private capital for high priority state infrastructure projects and shifting the risks of cost overruns and delivery delays to the contracting party.

The projects that may be considered by a state agency include: educational, health and early childcare facilities; transportation systems, including ports, transit-oriented development and related infrastructure; and any other facility the legislature proposes. The projects must generate sufficient revenue, which when added to any previously identified funding sources, support the costs of developing, maintaining and operating the facility. Importantly, each public-private partnership project shall either be subject to the prevailing wage law or utilize a project labor agreement. For further information, contact Liz Donohue at 860-524-7344.



KEY STATE RESOURCES

Dept. of Economic & Community Development	www.decd.org
State of Connecticut	www.ct.gov
Governor Dannel P. Malloy	www.governor.ct.gov
Startup Connecticut	ct.startupamericapartnership.org
Connecticut Innovations	www.ctinnovations.com
Connecticut Angel Investor Tax Credit	www.ctangeltaxcredit.com
Senate Democrats' Grow Jobs page	www.senatedems.ct.gov/GrowJobs